## SENATE BILL REPORT ESHB 1020

As Reported By Senate Committee On: Water, Energy & Environment, February 16, 2006

**Title:** An act relating to siting electrical transmission under the energy facility site evaluation council.

**Brief Description:** Regarding electrical transmission.

**Sponsors:** House Committee on Technology, Energy & Communications (originally sponsored by Representatives Morris and B. Sullivan).

**Brief History:** Passed House: 1/27/06, 98-0.

Committee Activity: Water, Energy & Environment: 2/15/06; 2/16/06; 2/21/06 [DPA].

## SENATE COMMITTEE ON WATER, ENERGY & ENVIRONMENT

**Majority Report:** Do pass as amended.

Signed by Senators Poulsen, Chair; Rockefeller, Vice Chair; Morton, Ranking Minority Member; Delvin, Fraser, Honeyford, Mulliken, Pridemore and Regala.

**Staff:** William Bridges (786-7424)

**Background:** Electrical Transmission Towers. The region's electrical transmission grid is an interconnected network of transmission lines that transfers bulk power between points of supply and demand. The main grid consists of 500 kilovolt, 345 kilovolt, and 230 kilovolt lines. These lines are usually mounted on large metal towers that range in height from 70 to 170 feet, depending on the size, location, and design of the tower. The towers typically require rights-of-way that are 90 to 165 feet wide.

<u>Energy Facility Site Evaluation Council</u>. EFSEC is the one-stop permitting and certificating authority for the siting of major energy facilities in Washington. EFSEC's jurisdiction does not extend to general transmission lines; however, it does have jurisdiction over new transmission lines that operate in excess of 200 kilovolts that are necessary to connect a power plant to the region's power grid.

National Interest Electric Transmission Corridors. The National Energy Policy Act of 2005 (Energy Policy Act) authorizes the U.S. Secretary of Energy to conduct a study by August 2006, and triennially thereafter, of electric transmission congestion. Based on the study, the Secretary may designate any geographic area a "national interest electric transmission corridor."

<u>Federal Preemption</u>. Under certain conditions, the Energy Policy Act authorizes the Federal Energy Regulatory Commission (FERC) to issue permits for the construction or modification of electric transmission facilities in national interest electric transmission corridors. FERC may issue such permits, if, among other things: (1) a state does not have siting authority; (2) a

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state has withheld approval for a facility more than one year after the filing of an application; or (3) a state has conditioned its approval in such a manner that there will be no significant reduction of transmission congestion.

Summary of Amended Bill: Extending EFSEC Jurisdiction Over Transmission Lines. EFSEC jurisdiction is extended to: (1) new electrical transmission lines that operate in excess of 115 kilovolts that are necessary to connect a power plant to the region's power grid; and (2) electrical transmission facilities in excess of 115 kilovolts in national interest electric transmission corridors. When siting transmission facilities, EFSEC must not consider the fuel source of the electricity to be carried on the facilities.

EFSEC is designated as the state authority for purposes of siting transmission facilities under the Energy Policy Act and any accompanying regulations that may be adopted by the U.S. Secretary of Energy. EFSEC's authority regarding transmission facilities is limited to those transmission facilities that are the subject of the Energy Policy Act. In addition, EFSEC must convey to the Secretary the views of interested parties concerning the appropriate limits on federal authority over transmission siting in the state.

<u>Changes to the EFSEC Process</u>. Various updates are made to the EFSEC process, including the consideration of local land use plans and ordinances adopted under the Growth Management Act. In addition, reimbursements are authorized for the time a local government's member or designee serves on EFSEC.

Amended Bill Compared to Original Bill: The threshold for EFSEC jurisdiction over transmission facilities that connect an energy facility to the grid is lowered from 200,000 volts to 115,000 volts. EFSEC jurisdiction over the siting of electrical transmission facilities in "national interest electric transmission corridors" is limited to facilities over 115,000 volts. When siting transmission facilities, EFSEC is prohibited from considering the fuel source of the electricity to be carried on the facilities. EFSEC is required to convey to the U.S. Secretary of Energy the views of interested parties concerning the appropriate limits on federal authority over transmission siting in the state. A legislative finding is added that declares the siting of electrical transmission facilities at or under 115,000 volts has historically been regulated by local governments. EFSEC is granted the authority to consider the interstate benefits expected to be achieved by the siting of any proposed electrical transmission facility in the state. Reimbursements are authorized to local government representatives for their time spent serving on EFSEC. A title amendment is made.

**Appropriation:** None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** The bill is required because FERC could preempt transmission siting in the state. EFSEC is the better forum to site transmission because it adjudicates and mitigates at the same time. The Association of Washington Cities (AWC) opposed the original bill last session because of concerns that it would remove municipal authority to site transmission lines. AWC now supports the Senate amendment because it limits EFSEC's siting authority to

national interest corridors, it removes the opt in option for developers in areas outside the corridors, it limits facilities to transmission facilities above 115,000 volts, and it reimburses cities for their time spent serving on the EFSEC Council.

**Testimony Against:** None.

**Who Testified:** PRO: Rep. Morris, prime sponsor; Victoria Lincoln, AWC; Jim Luce, EFSEC.

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